

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF ILLINOIS

NOTICE OF PROPOSAL TO AMEND THE LOCAL RULES

Pursuant to section 2071(b) of Title 28 of the United States Code regarding appropriate public notice and opportunity for comment, public notice is hereby given that the Court has approved for publication a proposed amendment to the following local rule:

Local Rules of the Bankruptcy Court

Copies of the proposed amendment may be obtained at the following locations:

Office of the Clerk
U.S. District Court
219 South Dearborn Street
20th Floor Assignment Desk
Chicago, IL 60604

Office of the Clerk
U.S. District Court
211 South Court Street, 2nd Floor
Rockford, IL 61101

Anyone wishing to comment on the proposed amendment may do so by submitting written comments to Michael W. Dobbins, Clerk of Court, 219 South Dearborn Street, Room 2050, Chicago, IL 60604. Comments must be received no later than the close of business on Friday, September 12, 2008. Comments may also be posted through the court's web site: www.ilnd.uscourts.gov.

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF ILLINOIS

PROPOSAL TO AMEND THE LOCAL RULES

The full Court met in executive session on Wednesday, June 25, 2008, and approved a proposal to amend the Local Rules of the Bankruptcy Court as attached.

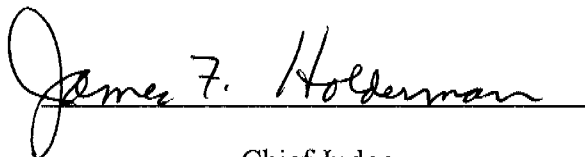
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COMMENT: In addition to the sites listed below, the notice of the proposal and request for comment is posted on the website for the United States Bankruptcy Court Northern District of Illinois, www.ilnb.uscourts.gov.

By direction of the full Court and pursuant to 28 U.S.C. §207(b) regarding appropriate public notice and opportunity for comment, the Clerk is directed to: (a) cause notice of the proposal and requests for comment to be published in the *Chicago Daily Law Bulletin*, (b) cause notice of the proposal and requests for comment to be posted on the web site for the United States District Court Northern District of Illinois, (c) indicate in such notice a final date for receipt of comments, which date shall be sixty days from the first date of publication in the *Law Bulletin*, (e) collect and distribute among the members of the Advisory Committee for Local Rules all comments received, and (f) following receipt of a copy of the report and recommendation of the advisory committee to distribute copies of the comments together with copies of the report and recommendation among the members of the Court for consideration at a regular meeting of the full Court.

ENTER:

FOR THE COURT

A handwritten signature in black ink, reading "James F. Holdeman", written over a horizontal line.

Chief Judge

Dated at Chicago, Illinois this 1st day of July 2008.

**Report to the United States District Court
for the Northern District of Illinois
from the Bankruptcy Court
Proposing Amendments to the Local Bankruptcy Rules**

The judges of the Bankruptcy Court respectfully request that the following thirty-six amendments to the Local Bankruptcy Rules be approved by the District Court.

Carol A. Doyle
Chief Bankruptcy Judge

1. PROPOSED AMENDMENT TO LOCAL RULE 1000-1.

The Bankruptcy Judges recommend amending Local Rule 1000-1 by adding definitions for the terms “Administrative Procedures” and “CM/ECF.”

RULE 1000-1 DEFINITIONS

(1) “Administrative Procedures” shall mean the Administrative Procedures for the Case Management/Electronic Case Filing System, adopted by the court on February 17, 2004, as amended;

(2) the “Bankruptcy Code” shall mean Title 11 of the United States Code, as amended;

(3) a “business day” shall include any day other than a Saturday, Sunday, or a legal holiday as defined by Fed. R. Bankr. P. 9006(a);

(4) “clerk” shall include the clerk of the court, any deputy clerk, and any member of a judge’s staff who has taken the oath of office to perform the duties of a deputy clerk;

(5) “clerk of the court” shall mean the clerk of the court duly appointed by the Bankruptcy Court;

(6) “CM/ECF” shall mean the Case Management/Electronic Case Filing System;

(7) “court” or “Bankruptcy Court” shall mean the bankruptcy judges of the United States District Court for the Northern District of Illinois;

(~~6~~8) “courtroom deputy” shall mean the deputy clerk assigned to perform courtroom duties for a particular judge;

(~~7~~9) the “date of presentment” shall refer to the day on which the motion is to be presented in open court according to the notice required by Rule 9013-1;

(~~8~~10) “District Court” shall mean the United States District Court for the Northern District of Illinois;

(~~9~~11) “District Court Local Rules” shall mean the Civil Rules promulgated by the District Court;

(~~10~~2) “Executive Committee” shall mean the Executive Committee of the District Court;

(~~11~~3) “judge” shall mean the judge assigned to a case or an adversary proceeding or any other judge sitting in that judge’s stead;

(~~12~~4) the terms “motion,” “petition,” and “application” shall refer to any request for an order, however characterized.

(~~13~~5) “Rules” shall mean these Local Bankruptcy Rules and any amendments or additions thereto;

(~~14~~6) “Rule _____” shall mean a rule within these Rules and any amendments and additions thereto;

(~~15~~7) “trustee” shall mean the person appointed or elected to serve as case trustee under the Bankruptcy Code, but not the debtor in possession in a case under Chapter 11.

2. PROPOSED AMENDMENT TO LOCAL RULE 1000-2.

The Bankruptcy Judges recommend amending Local Rule 1000-2 by adding a section clarifying the difference between general, standing, and administrative orders and referring to the Administrative Procedures.

RULE 1000-2 SCOPE OF RULES

A. Scope of Rules

These Rules are promulgated by the District Court and the Bankruptcy Court pursuant to Fed. R. Civ. P. 83 and Fed. R. Bankr. P. 9029. They may be cited as “Local Bankruptcy Rules” and ~~shall~~ will govern procedure in the Bankruptcy Court, and in the District Court in all bankruptcy cases and proceedings as defined in 28 U.S.C. § 157, to the extent that they are not inconsistent with applicable law, the Federal Rules of Bankruptcy Procedure, or the Official Bankruptcy Forms. These Rules ~~shall~~ will be construed to secure the expeditious and economical administration of every case within the district under the Bankruptcy Code and the just, speedy, and inexpensive determination of every proceeding therein.

B. Previous Bankruptcy Rules Rescinded

All local bankruptcy rules adopted by the District Court and the Bankruptcy Court prior to the adoption of these Rules are rescinded.

C. Application of District Court Local Rules

The District Court Local Rules ~~shall~~ will apply to the Bankruptcy Court and bankruptcy cases only when the District Court Local Rules or these Rules so specify, or when applied by any judge to proceedings before that judge in situations not covered.

D. Additional Procedural Orders

(1) In addition to these Rules, procedures in the Bankruptcy Court may also be governed by

(a) General Orders, issued by the court, applicable in all cases, and

(b) Standing Orders, issued by an individual judge, applicable in cases pending before that judge.

(2) The chief judge may issue, on behalf of the court, Administrative Orders governing matters such as hours of operation, court holidays, and case

assignments.

(3) Administrative Procedures have been adopted by the court pursuant to Fed. R. Bankr. P. 5005 and Rule 5005-1(A).

3. **PROPOSED AMENDMENT TO LOCAL RULE 1006-1.**

The Bankruptcy Judges recommend amending Local Rule 1006-1 in light of the new Federal Rule of Bankruptcy Procedure 1006.

RULE 1006-1

PAYMENT OF FILING FEE IN INSTALLMENTS

A. ~~Application for Installment Payments~~

~~Any petition filed by an individual without payment of all applicable filing fees must be accompanied by the debtor's signed application stating that the debtor is unable to pay the filing fee except in installments and proposing a payment schedule. The application must further state that the debtor has neither paid any money nor transferred any property to an attorney or any other person for services in connection with the case and that no compensation will be paid to any such persons until the filing fee has been paid in full.~~

B. ~~Requirements~~

~~The clerk shall enter, on behalf of the judge to whom the case is assigned, an order granting leave to pay the filing fees as proposed in the debtor's application only if: (1) the application meets the requirements set forth in paragraph A; (2) the petition is voluntary; (3) the debtor is an individual; (4) the number of proposed installments does not exceed four; and (5) the final proposed installment is scheduled to be paid within 120 days after the filing of the petition.~~

C. ~~Notice of Noncompliance~~

~~If the requirements of section B are not met, the clerk shall within three days of the filing give notice to the judge to whom the case is assigned.~~

D. ~~Notice to Creditors~~

~~The clerk shall not send notice of the commencement of the case or meeting of creditors to any party in interest until the order described in section B has been entered or the judge to whom the case is assigned has entered an order allowing the filing fees to be paid in installments.~~

A. Required Payments

If a debtor applies to pay the filing fee in installments pursuant to Fed. R. Bankr. P. 1006, the clerk may enter on behalf of the judge to whom the case is assigned the appropriate order, which will require four equal payments due 30, 60, 90, and 120 days after the petition is filed.

B. **Notice to Creditors**

If a debtor applies to pay the filing fee in installments, the clerk will not send notice of the commencement of the case or meeting of creditors to any party in interest until the order described in section A has been entered or the judge to whom the case is assigned has entered an order allowing the filing fee to be paid in installments.

4. **PROPOSED AMENDMENT TO LOCAL RULE 1006-2.**

The Bankruptcy Judges recommend amending Local Rule 1006-2 to reflect the importance of paying promptly for electronic filings. This proposal and the next are related. Existing Local Rules differentiate between fees for petitions and fees for all other documents. These proposals differentiate between fees for electronic filings and fees for paper filings.

~~**RULE 1006-2 FORM OF PAYMENT OF FEE FOR FILING PETITION**~~

~~The clerk shall accept payment of the fee for filing a petition for relief as follows:~~

- ~~a. A debtor may tender cash, cashier's check, certified check or money order.~~
- ~~b. In addition to the foregoing, an attorney for the debtor may also tender the attorney's check or the attorney's credit card.~~

~~The clerk shall not accept personal, non-certified checks or credit cards from a debtor in payment of this fee.~~

RULE 1006-2 PAYMENT OF FEES FOR ELECTRONIC FILINGS

Subject to Rule 1006-1, any document filed electronically must be accompanied by the appropriate fee.

5. **PROPOSED AMENDMENT TO LOCAL RULE 1006-3.**

The Bankruptcy Judges recommend amending Local Rule 1006-3 to provide for payment of fees for paper filings.

~~**RULE 1006-3 — FILING FEES FOR DOCUMENTS OTHER THAN ORIGINAL PETITIONS**~~

~~Except as otherwise provided by these Rules, any document submitted for filing must be accompanied by the appropriate fee. Notwithstanding this provision, the clerk will accept a document without prepayment of a fee and will notify the assigned judge, within three business days, that the fee has not been paid. The judge may enter an order striking the document without prior notice.~~

RULE 1006-3 PAYMENT OF FEES BY DEBTORS AND OTHER NON-REGISTRANTS

Subject to Rule 1006-1, any document filed on paper must be accompanied by the appropriate fee in the form of cash, cashier's check, certified check, or money order. The clerk may not accept personal, non-certified checks or credit cards from pro se parties or other non-registrants.

6. **PROPOSED AMENDMENT TO LOCAL RULE 1007-2.**

The Bankruptcy Judges recommend amending Local Rule 1007-2 to simplify the rule and correct some drafting errors.

~~RULE 1007-2~~ — ~~CLAIMS DOCKETS~~

~~The clerk will supervise preparation of claims dockets in all cases. However, subject to the Administrative Procedures for Electronic Filing and unless excused by order of the court, if the number of creditors in any case exceeds 500, the debtor shall employ, with leave of court, an entity to assist the clerk in performance of this function under direction of the clerk, unless excused by order of the court.~~

RULE 1007-2 CLAIMS REGISTERS

The clerk will supervise preparation of claims registers in all cases. If, however, there are more than 500 creditors in a case, the debtor must employ an entity approved by the clerk to assist the clerk in the performance of this function, unless excused by order of the court.

7. **PROPOSED AMENDMENT TO LOCAL RULE 1009-1.**

The Bankruptcy Judges recommend amending Local Rule 1009-1 to discourage late disclosure of creditors.

**RULE 1009-1 NOTICE OF AMENDMENTS TO VOLUNTARY
PETITIONS, LISTS OR SCHEDULES; NOTICE TO
CREDITORS ~~ADDED AFTER FIRST NOTICE MAILED.~~**

The debtor ~~shall~~ must serve amendments to voluntary petitions, lists, or schedules under Fed. R. Bankr. P. 1009(a) on all creditors, the trustee, and in ~~a~~ Chapter 11 cases, on the United States Trustee and any official committee of unsecured creditors, and ~~shall~~ must file ~~a~~ proof of such service with the clerk. In addition, if, after filing the petition, the debtor files the creditor list or adds any creditors to the schedules ~~after the first notice of the meeting of creditors under §341 or 1104(b) of the Bankruptcy Code has been mailed,~~ the debtor ~~shall~~ must serve each such creditor, by first-class or certified mail, with a copy of the original notice of the meeting of creditors, and ~~shall~~ must file ~~a~~ proof of such service with the clerk.

8. PROPOSED AMENDMENT TO LOCAL RULE 1017-1.

The Bankruptcy Judges recommend amending Local Rule 1017-1 to eliminate the requirement to file three copies of a notice of conversion from chapter 13 to chapter 7.

RULE 1017-1 CONVERSION FROM CHAPTER 13 TO CHAPTER 7

All notices of conversion of chapter 13 cases to chapter 7 cases, pursuant to §1307(a) of the Bankruptcy Code and Fed. R. Bankr. P. 1017(f)(3), ~~shall~~must be filed with the clerk's office ~~in triplicate~~, accompanied by: (1) proof of service on the designated chapter 13 standing trustee and the United States Trustee, and (2) any required fee.

9. PROPOSED AMENDMENT TO LOCAL RULE 1017-2.

The Bankruptcy Judges recommend amending Local Rule 1017-2 to make it more precise by changing the words “proceedings” and “proceeding” to the words “cases” and “case,” changing the word “papers” to the word “documents,” and changing the phrase “delivered to” to the phrase “filed with.”

**RULE 1017-2 MOTIONS OF PARTIES TO DISMISS CHAPTER 7
~~PROCEEDINGS~~ CASES**

A. Procedure Generally

Any trustee or party in interest may move to dismiss a chapter 7 ~~proceeding~~ case by filing with the clerk each of the following:

- (1) a completed request for notice of hearing on the form approved by the court and supplied by the clerk;
- (2) a notice of motion with a certificate indicating service of the motion on the debtor, the United States Trustee, and any party on the notice list under Fed. R. Bankr. P. 2002 (m); and
- (3) the motion to dismiss.

B. Date of Presentment of Motion to Dismiss

The date of presentment of the motion to dismiss ~~shall~~ must be no less than 28 nor more than 35 ~~calendar~~ days from the date the ~~papers~~ documents referred to in section A of this Rule are ~~delivered to~~ filed with the clerk. The date and time of presentment ~~shall~~ must be set for a date and time that the assigned judge normally hears new motions in chapter 7 cases.

C. Notice of Motion to Dismiss to be Sent by Clerk

Upon receipt of the ~~papers~~ documents referred to in section A of this Rule, the clerk ~~shall~~ will cause notice to be sent pursuant to Fed. R. Bankr. P. 2002(a)(4).

10. PROPOSED AMENDMENT TO LOCAL RULE 2070-1.

The Bankruptcy Judges recommend amending Local Rule 2070-1 to delete section D which is not accurate.

RULE 2070-1

SURETIES ON BONDS

A. Security For Bonds

Except as otherwise provided by law, every court-ordered bond or similar undertaking must be secured by:

- (1) the deposit of cash or obligations of the United States in the amount of the bond;
- (2) the undertaking or guaranty of a corporate surety holding a certificate of authority from the Secretary of the Treasury; or
- (3) the undertaking or guaranty of two individual residents of the Northern District of Illinois.

B. Affidavit of Justification

A person executing a bond as a surety pursuant to section A(3) of this Rule ~~shall~~must attach an affidavit of justification, giving the person's full name, occupation, residence, and business addresses and showing that the person owns real or personal property in this district which, after excluding property exempt from execution and deducting the person's debts, liabilities, and other obligations (including those which may arise by virtue of the person's suretyship on other bonds or undertakings), is properly valued at no less than twice the amount of the bond.

C. Restriction on Sureties

No member of the bar and no officer or employee of this court ~~shall~~may act as surety in any action or proceedings in this court.

~~D. Bond Must Be Approved by Court~~

~~Every bond or similar undertaking must be approved by the court.~~

11. PROPOSED AMENDMENT TO LOCAL RULE 2090-3.

The Bankruptcy Judges recommend amending Local Rule 2090-3 to delete the requirement for filing a motion for admission to appear pro hac vice. The motion serves no purpose, and the status should be extended on proof of filing the application and paying the fee in the District Court.

RULE 2090-3

**APPEARANCE BY ATTORNEYS NOT
MEMBERS OF THE BAR OF THE
DISTRICT COURT (Pro Hac Vice)**

~~A member in good standing of the bar of the highest court of any state or of any United States district court may appear before this court upon motion and proof of compliance with the applicable District Court Local Rule. The motion for admission under this Rule may be presented by the attorney seeking admission.~~

An attorney who is not a member of the bar of the District Court but who is a member in good standing of the bar of the highest court of any state or of any United States District Court may appear before this court after:

- (1) completing the form application for leave to appear *pro hac vice* as prescribed by the District Court,
- (2) paying the required fee to the clerk of the District Court, and
- (3) filing the application and receipt for payment with the clerk of this court.

No order of court is required.

12. PROPOSED DELETION OF LOCAL RULE 2090-4.

The Bankruptcy Judges recommend deleting Local Rule 2090-4 which requires designation of local counsel in contested matters and adversary proceedings. The only function of local counsel was to receive service, which is no longer necessary with electronic filing.

~~RULE 2090-4~~ ~~DESIGNATION OF LOCAL COUNSEL FOR SERVICE~~

~~A. Designation of Local Counsel~~

~~Unless excused by order for cause shown, an attorney primarily responsible for matters before the court (“lead counsel”), but not having an office in this district, may not appear before this court in any contested matter or adversary proceeding unless such lead counsel first designates a member of the bar of the District Court having an office within this district upon whom service may be made. The attorney so designated shall file a separate “Appearance as Local Counsel” if that attorney is not to participate in the case beyond the extent required by paragraph C of this Rule.~~

~~B. Penalties for Failing to Designate Local Counsel~~

~~Where the nonresident lead counsel files pleadings without the required designation of local counsel, the clerk shall process them as if the designation were filed. If that lead counsel fails to file the required designation of local counsel, the pleadings filed may be stricken by the court without prior notice.~~

~~C. Duties of Local Counsel~~

~~An attorney designated as local counsel pursuant to this Rule shall be responsible for receiving service of notices, pleadings and other documents and promptly notifying the nonresident lead counsel of their receipt and contents. The local counsel may also appear in the place of the lead counsel. This Rule does not require the local counsel to take responsibility for any substantive aspects of the litigation or to sign any pleading, motion, or other paper.~~

13. **PROPOSED AMENDMENT TO LOCAL RULE 2090-5**

The Bankruptcy Judges recommend amending Local Rule 2090-5 to state that electronically filing a document constitutes an appearance and to add section D, the substance of which more logically appears here than where it previously was, in Local Rule 2091-1.

RULE 2090-5

APPEARANCES

A. ~~Appearance Forms~~ Individual Appearances; Appearances by Firms Prohibited

~~Appearances filed when required by~~

- (1) Filing a document electronically constitutes entering an appearance for the party on whose behalf the document is filed, and no further notice of appearance under Fed. R. Bankr. P. 9010(b) ~~shall be filed on~~ is required.
- (2) Any other appearance must be filed by the attorney appearing using forms prescribed by the District Court, signed by each individual attorney appearing, and not with the firm name.

B. Appearance of Attorney for Debtor; Adversary Proceedings

Counsel who represents the debtor upon the filing of a petition in bankruptcy is deemed to appear as attorney of record on behalf of the debtor for all purposes in the bankruptcy case, including any contested matter, but is not deemed to appear in any adversary proceeding filed against the debtor.

C. Appearance by United States Attorney or United States Trustee

No appearance form need be filed by the United States Attorney or the United States Trustee or any of their assistants when appearing in the performance of their duties.

D. Appearance of Attorney for Other Parties

Once an attorney has appeared in a contested matter or an adversary proceeding, that attorney is the attorney of record for the party represented for all purposes incident to the matter or proceeding, unless a court orders otherwise.

14. PROPOSED AMENDMENT TO LOCAL RULE 2091-1.

The Bankruptcy Judges recommend amending Local Rule 2091-1 by relocating the first sentence to Local Rule 2090-5(D) and by making stylistic changes.

RULE 2091-1

**WITHDRAWAL, ADDITION, AND SUBSTITUTION
OF COUNSEL**

~~Once an attorney has filed an appearance form, that attorney is the attorney of record for the party represented for all purposes incident to the proceeding in which the appearance was filed. The~~ An attorney of record may not withdraw, nor may other attorneys ~~file an appearance~~ on behalf of the same party or as a substitute for the attorney of record, without first obtaining leave of court by motion, except that substitutions or additions may be made without motion where both counsel are of the same firm. Where the appearance indicates that pursuant to these Rules a member of the trial bar is acting as a supervisor or is accompanying a member of the bar, the member of the trial bar included in the appearance may not withdraw, nor may another member be added or substituted, without first obtaining leave of court. Any motion to withdraw must be served on the client as well as all parties of record.

15. PROPOSED ADDITION OF NEW LOCAL RULE 3007-1.

The Bankruptcy Judges recommend adopting new Local Rule 3007-1 to clarify procedures for objecting to claims.

RULE 3007-1

OBJECTIONS TO CLAIMS

Subject to Fed. R. Bankr. P. 3007, objections to claims must be noticed for hearing as an original motion in accordance with Rule 9013-3 and must identify the claimant and claim number.

16. **PROPOSED AMENDMENT TO LOCAL RULE 4001-1.**

The Bankruptcy Judges recommend amending Local Rule 4001-1 by adding subsection A, the substance of which the court has required since February 17, 2004.

RULE 4001-1

**MOTIONS ~~-DATE OF REQUEST~~ TO MODIFY
STAY ~~UNDER 11 U.S.C. § 362~~**

~~Under § 362(e)~~

A. Required Statement

All motions seeking relief from the automatic stay pursuant to § 362 of the Bankruptcy Code, ~~the~~ must be accompanied by a completed copy of the Required Statement form available on the Court's web site (www.ilnb.uscourts.gov). Motions filed without the Required Statement may be stricken or denied without notice.

B. Date of Request

The date of the "request" for relief from the automatic stay ~~referred to in § 362(e) of the Bankruptcy Code~~ is deemed to be the date of presentment of the motion, provided that the movant has complied with ~~the notice requirements under Fed. R. Bankr. P. 9014 and any other applicable notice requirements of these Rules.~~

17. PROPOSED AMENDMENT TO LOCAL RULE 4001-2(A).

The Bankruptcy Judges recommend amending Local Rule 4001-2(A) by adding subsection (j) to the list of provisions in Financing Motions that must be highlighted.

RULE 4001-2

**CASH COLLATERAL AND
FINANCING ORDERS**

A. Motions

- (1) Except as provided in these Rules, all cash collateral and financing requests under §§363 and 364 of the Bankruptcy Code shall must be heard by motion filed pursuant to Fed. R. Bankr. P. 2002, 4001 and 9014 (“Financing Motions”).
- (2) Provisions to be Highlighted. All Financing Motions must (a) recite whether the proposed form of order or underlying cash collateral stipulation or loan agreement contains any provision of the type indicated below, (b) identify the location of any such provision in the proposed form of order, cash collateral stipulation or loan agreement, and (c) state the justification for the inclusion of such provision:
 - (a) Provisions that grant cross-collateralization protection (other than replacement liens or other adequate protection) to the pre-petition secured creditors (i.e., clauses that secure pre-petition debt by post-petition assets in which the secured creditor would not otherwise have a security interest by virtue of its pre-petition security agreement or applicable law).
 - (b) Provisions or findings of fact that bind the estate or all parties in interest with respect to the validity, perfection or amount of the secured creditor’s pre-petition lien or debt or the waiver of claims against the secured creditor without first giving parties in interest at least 75 days from the entry of the order and the creditors’ committee, if formed, at least 60 days from the date of its formation to investigate such matters.
 - (c) Provisions that seek to waive any rights the estate may have under §506(c) of the Bankruptcy Code.
 - (d) Provisions that immediately grant to the pre-petition secured creditor liens on the debtor’s claims and causes of action arising under §§544, 545, 547, 548, and 549 of the Bankruptcy Code.
 - (e) Provisions that deem pre-petition secured debt to be post-petition debt or that use post-petition loans from a pre-petition secured creditor to pay part or all of that secured creditor’s pre-petition debt, other than as provided in §552(b) of the Bankruptcy Code.
 - (f) Provisions that provide treatment for the professionals retained by a committee appointed by the United States Trustee different from that provided for the professionals retained by the debtor with respect to a professional fee carve-out, and provisions that limit the committee counsel’s use of the carve-out.

- (g) Provisions that prime any secured lien, without the consent of that lienor.
 - (h) A declaration that the order does not impose lender liability on any secured creditor.
 - (i) Provisions that grant the lender expedited relief from the automatic stay in § 362 of the Bankruptcy Code, or relief from the automatic stay without further order of court.
 - (j) **In jointly administered cases, provisions for joint and several liability on loans.**
- (3) All Financing Motions ~~shall~~ **must** also provide a summary of all provisions that must be highlighted under section (A)(2) of this Rule and a summary of the essential terms of the proposed use of cash collateral or financing, including the maximum borrowing available on a final basis, the interim borrowing limit, borrowing conditions, interest rate, maturity, events of default, use of funds limitations, and protections afforded under § §363 and 364 of the Bankruptcy Code.
 - (4) All Financing Motions ~~shall~~ **must** also provide a budget covering the time period in which the order ~~shall~~ **will** remain in effect. The budget ~~shall~~ **must** state in as much detail as is reasonably practical the amount of projected receipts and disbursements during the period covered by the budget.
 - (5) The court may deem unenforceable any provision not highlighted as required under section (a)(2) of this Rule.

18. PROPOSED ADDITION OF NEW LOCAL RULE 4003-1.

The Bankruptcy Judges recommend adopting new Local Rule 4003-1 to clarify procedures for objecting to debtor's exemptions.

RULE 4003-1

OBJECTIONS TO DEBTOR'S EXEMPTIONS

Subject to Fed. R. Bankr. P. 4003, objection to exemptions claimed by a debtor must be noticed for hearing as an original motion in accordance with Rule 9013-3.

19. **PROPOSED AMENDMENT TO LOCAL RULE 5005-1.**

The Bankruptcy Judges recommend amending Local Rule 5005-1 to address electronic filing.

RULE 5005-1 ~~PLACE AND~~ METHOD OF FILING

~~A. — Office of the Clerk of the Court~~

~~— All papers shall be filed with the office of the clerk of the United States Bankruptcy Court located in Chicago, Illinois for the Eastern Division or the office of the clerk of the United States Bankruptcy Court located in Rockford, Illinois for the Western Division.~~

~~B. — Materials to Be Filed in Division in which Venue Lies~~

~~— Documents commencing a bankruptcy case shall be filed with the clerk in the division of the court in which venue is appropriate. Unless otherwise ordered by the court, following the filing of a case all materials relating to that case shall be filed in the division to which the case is assigned at the time of the filing.~~

~~C. — Electronic Case Filing~~

A. Administrative Procedures

The court may adopt Administrative Procedures to permit filing, signing, service and verification of documents by electronic means in conformity therewith.

B. Electronic Case Filing

Pursuant to Fed. R. Bankr. P. 5005(a)(2), all documents must be filed in accordance with the Administrative Procedures.

C. Divisions of the District

The caption of each document must identify the division of the court to which the case is assigned.

D. Paper Documents

If paper documents are permitted or required by the Administrative Procedures, they must be filed at the office of the clerk in Chicago, Illinois, for Eastern Division cases, and the office of the clerk in Rockford, Illinois, for Western Division cases.

20. PROPOSED DELETION OF LOCAL RULE 5005-2.

The Bankruptcy Judges recommend deleting Local Rule 5005-2 which provides for drop boxes, which have been eliminated because of electronic filing.

~~RULE 5005-2 EASTERN DIVISION DROP BOX~~

- ~~(1) — Papers may be filed in the Eastern Division by placing them in one of the clerk drop boxes located in the Everett McKinley Dirksen United States Courthouse. The courthouse is open to the public from 7 a.m. to 6 p.m. Monday through Friday, excluding federal holidays.~~
- ~~(2) — Documents placed in a drop box must meet the following guidelines:
 - ~~(a) — all documents must be stamped “received” with the time stamp provided;~~
 - ~~(b) — a self-addressed stamped envelope must be included for documents to be returned;~~
 - ~~(c) — the name, address, and telephone number of the filing party shall be included; and~~
 - ~~(d) — any document for which a filing fee is required shall be accompanied by a check or money order acceptable to the clerk.~~~~
- ~~(3) — Emergency matters, notices of appeal, and cash shall not be placed in the drop boxes.~~
- ~~(4) — Documents placed in the drop box in compliance with this Rule and time-stamped before 6:00 p.m. on a business day shall be deemed filed on the date stamped received. If a document is removed from the drop box in the morning of the business day following its deposit, and if the time stamp is missing or illegible, it will be stamped as having been filed on that business day. Documents deposited in the drop box and time-stamped after 6:00 p.m. on a business day or at any time on a non-business day shall be deemed to have been filed on the next business day.~~

21. **PROPOSED AMENDMENT TO LOCAL RULE 5005-3.**

The Bankruptcy Judges recommend amending Local Rule 5005-3, which prescribes the format of filed documents, as follows:

- a. *The rule should refer to “documents” instead of “papers” given the advent of electronic filing.*
- b. *Subsection A should be amended to eliminate the need to respond to motions paragraph-by-paragraph. Such formal responses will be limited to responses to pleadings.*
- c. *Subsection B should be amended to require all documents to be double-spaced, with type no smaller than 12 points, and margins no smaller than one inch.*
- d. *The requirement that attorneys include their state registration number can be eliminated because of electronic filing.*
- e. *Section E can be eliminated because of electronic filing.*

RULE 5005-3 FORMAT OF ~~PAPERS~~DOCUMENTS FILED

A. Numbering Paragraphs in Pleadings

Allegations in any pleading ~~or request for an order shall~~ must be made in numbered paragraphs, each of which ~~shall~~ must be limited, as far as practicable, to a statement of a single set of circumstances. Responses ~~to pleadings shall~~ must be made in numbered paragraphs, first setting forth the complete content of the paragraph to which the response is directed, and then setting forth the response.

B. ~~Size of Paper, Binding, Caption, Signature, Name, Address, and Phone~~ ~~Number of Person Filing Pleading~~ Requirements

- (1) Each document filed ~~on paper shall~~ must be flat and unfolded on opaque, unglazed, white paper approximately 8 ½ x 11 inches in size. It ~~shall~~ must be plainly written, or typed, or printed, or prepared by means of a duplicating process, without erasures or interlineations which materially deface it, and ~~shall~~ must be secured by staples or other devices piercing the paper on the top at the left corner of the document. Paper clips or other clips not piercing the paper are not acceptable.
- (2) Where the document is typed, line spacing ~~shall~~ must be at least ~~1½~~ 2 lines.
- (3) Where ~~it~~ the document is typed or printed:
 - (a) the size of the type in the ~~body of the text~~ document ~~shall~~ must be ~~12 points and that in footnotes, no less~~ smaller than ~~12~~ 12 points, and
 - (b) the margins, left-hand, right-hand, top, and bottom, ~~shall~~ must each be no smaller than 1 inch.
- (4) The first page of each document ~~shall~~ must bear the caption, descriptive

title, and number of the action or proceeding in which it is filed, the case caption and chapter of the related bankruptcy case, the name of the judge to whom the case is assigned, and the next date and time, if any, that the matter is set.

- (5) The final page of each document ~~required to be signed by counsel shall be signed by at least one licensed attorney or by an individual party pro se.~~ That final page must contain the name, ~~the state attorney registration number~~, address, and telephone number of the attorney in active charge of the case as well as that of the attorney signing the pleading, or the address and telephone number of the individual party filing *pro se*.
- (6) Copies of exhibits appended to documents filed ~~shall~~ must be legible.
- (7) Each page of a pleading document ~~shall~~ must be consecutively numbered.
- (8) Each document filed electronically must be formatted similarly to documents filed on paper.
- (9) Signatures on documents must comply with the Administrative Procedures (II-C).

C. Briefs Limited to Fifteen Pages

No brief ~~shall~~ may exceed fifteen pages without prior approval of the court.

D. Documents Not Complying with Rule Subject to Being Stricken

Any document filed in violation of this Rule may be stricken by the court without prior notice. The judge may allow a document not in conformity with this Rule to remain on file or may direct the filing of any communication to the court deemed appropriate for filing.

E. Judge's Copy

~~Each person or party filing a pleading, motion, memorandum, or any document other than a deposition or exhibit, shall file, in addition to the record copy, a copy for use by the judge, unless otherwise provided by the Administrative Procedures for Electronic Filing.~~

F. Proof of Service

All documents filed with the clerk ~~shall~~ must be accompanied by a proof of service consistent with Rules 7005-1 and 9013-3.

22. **PROPOSED AMENDMENT TO LOCAL RULE 5005-4.**

The Bankruptcy Judges recommend amending Local Rule 5005-4, which deals with restricted access to documents, to clarify the procedures.

RULE 5005-4

RESTRICTED DOCUMENTS

~~A. Restricting Order~~

~~On written motion and for good cause shown, the court may enter an order directing that access to one or more documents be restricted. The order shall specify the persons, if any, who are to have access to the documents without further order of court. Unless such an order is entered, access to any document filed with the clerk shall not be restricted.~~

A. Definitions

For the purpose of this Rule:

- (1) “Restricted Document” means a document to which access has been restricted either by a court order or by law.
- (2) “Redacted Document” means an altered form of a Restricted Document that may appear in the public record because portions of it have been deleted or obliterated.
- (3) “Sealed Document” means a Restricted Document that the court has directed be maintained within a sealed enclosure such that access to the document requires breaking the seal of the enclosure.
- (4) “Restricting Order” means any order restricting access to a document submitted to or filed with the clerk.

B. General Rule of Access

All documents filed with the clerk, both electronically and on paper, are accessible to the public unless covered by a Restricting Order.

C. Methods of Restriction

- (1) The court may order that a document not be filed but instead be submitted to the clerk as a Sealed Document.
- (2) The court may order that a document be filed as a Redacted Document. When ordering that a Redacted Document be filed, the court may order that an unredacted version of the document be submitted to the clerk as a Sealed Document.

D. Filing and Submitting Restricted Documents

- (1) No attorney or party may file or submit a Restricted Document without prior order of the court specifying the particular document or portion of a document that may be filed as restricted.
- (2) The final paragraph of any Restricting Order must contain (a) the identity of the persons entitled to access to the documents without further order of the court and (b) instructions for the disposition of the Restricted Documents following the conclusion of the case, consistent with section G of this Rule.
- (3) A copy of the Restricting Order must be attached to a Sealed Document submitted to the clerk and to a Redacted Document filed with the clerk.
- (4) The attorney or party submitting a Sealed Document to the clerk must present it in a sealed enclosure that conspicuously states on the face of the enclosure the attorney's or party's name and address, including the email address if the attorney is a registrant under CM/ECF, the caption of the case, and the title of the document.

B.E. Docket Entries

On written motion and for good cause ~~shown~~, the court may ~~enter an~~ order ~~directing~~ that the docket entry for a ~~r~~Restricted ~~d~~Document show only that the document was filed without any notation indicating its nature. Absent such an order ~~that~~ a ~~r~~Restricted ~~d~~Document ~~shall~~must be docketed in the same manner as any other document, except ~~that~~ the entry will indicate that access to the document is restricted.

E.F. Inspection of ~~Restricted~~Sealed Documents

The clerk ~~shall~~must maintain a record, in a manner provided by internal operating procedures, of persons permitted access to ~~restricted d~~Sealed Documents. Such procedures may require anyone seeking access to show identification and to sign a statement to the effect that they have been authorized to examine the ~~restricted d~~Sealed Document. The clerk shall also keep a log of all such inspections.

D. — Disposition of Restricted Documents

- ~~(1) — When a case is closed in which an order was entered pursuant to section B of this rule, the clerk shall maintain the documents as restricted documents for a period of 63 days following the final disposition of the case including appeals. Except where the court orders otherwise in response to a request of a party made pursuant to this section or on its own motion at the end of the 63-day period, the clerk shall place the restricted documents in the public file.~~

- (2) ~~Any party may on written motion request that one or more of the restricted documents be turned over to that party. Such motion shall be filed not more than 63 days following the closing of the case. In ruling on a motion filed pursuant to this section or on its own motion, the court may authorize the clerk to do one of the following for any document covered by the order:~~
- ~~(a) turn over a document to a party; or~~
 - ~~(b) destroy a document; or~~
 - ~~(c) retain a document as a restricted document for a period not to exceed 20 years and thereafter destroy it.~~

G. Disposition of Sealed Documents

When a case is closed in which a Restricting Order has been entered, the clerk must maintain any Sealed Documents for a period of 63 days following the final disposition of the case including appeals. Except where the court, at the request of a party or on its own motion, orders otherwise, at the end of the 63-day period the clerk shall return any Sealed Documents to the submitting attorney or party. If reasonable attempts by the clerk to return the Sealed Documents are not successful, the clerk may destroy them.

23. **PROPOSED AMENDMENT TO LOCAL RULE 5082-1.**

The Bankruptcy Judges recommend amending Local Rule 5082-1 so that fee itemizations include the amount of the fee for each entry.

RULE 5082-1

**APPLICATIONS FOR COMPENSATION
AND REIMBURSEMENT FOR
PROFESSIONAL SERVICES IN CASES
UNDER CHAPTERS 7, 9, 11 AND 12.**

A. Applications

~~Each~~ Any application for interim or final compensation for services performed and reimbursement of expenses incurred by a professional person employed in a case filed under Chapter 7, 9, 11 or 12 of the Bankruptcy Code ~~shall~~ must begin with a completed and signed cover sheet in a form approved by the court and published by the clerk. The application ~~shall~~ must also include both a narrative summary and a detailed statement of the applicant's services for which compensation is sought.

B. Narrative Summary

- (1) The narrative summary ~~shall~~ must set forth the following for the period covered by the application:
 - (a) a summary list of all principal activities of the applicant, giving the total compensation requested in connection with each such activity;
 - (b) a separate description of each of the applicant's principal activities, including details as to individual tasks performed within such activity, and a description sufficient to demonstrate to the court that each task and activity is compensable in the amount sought;
 - (c) a statement of all time and total compensation sought in the application for preparation of the current or any prior application by that applicant for compensation;
 - (d) the name and position (partner, associate, paralegal, etc.) of each person who performed work on each task and activity, the approximate hours worked, and the total compensation sought for each person's work on each such separate task and activity;
 - (e) the hourly rate for each professional and paraprofessional for whom compensation is requested, with the total number of hours expended by each person and the total compensation sought for each;
 - (f) a statement of the compensation previously sought and allowed;
 - (g) the total amount of expenses for which reimbursement is sought, supported by a statement of those expenses, including any additional charges added to the actual cost to the applicant.

- (2) The narrative summary ~~shall~~ must conclude with a statement as to whether the requested fees and expenses are sought to be merely allowed or both allowed and paid. If the latter, the narrative summary ~~shall~~ must state the source of the proposed payment.

C. Detailed Statement of Services

The applicant's detailed time records may constitute the detailed statement required by Fed. R. Bankr. P. 2016(a). Such statement ~~shall~~ must be divided by task and activity to match those set forth in the narrative description. Each time entry ~~shall~~ must state:

- (1) the date the work was performed,
- (2) the name of the person performing the work,
- (3) a brief statement of the nature of the work,
- (4) the time expended on the work in increments of tenth of an hour; and
- (5) the fee charged for the work described in the entry.

24. PROPOSED AMENDMENT TO LOCAL RULE 5082-2.

The Bankruptcy Judges recommend amending Local Rule 5082-2 regarding chapter 13 fee applications to reflect the substance of prior general and standing orders.

RULE 5082-2

**APPLICATIONS FOR COMPENSATION AND
REIMBURSEMENT FOR PROFESSIONAL
SERVICES IN CASES UNDER CHAPTER 13**

~~In all cases filed under Chapter 13 of the Bankruptcy Code, each application for compensation for services performed and reimbursement of expenses incurred by a professional person shall be set forth in a form approved by the court and published by the clerk.~~

A. Definitions

For the purpose of this Rule:

- (1) “Form Itemization” means Local Bankruptcy Forms 21 and 22.
- (2) “Form Fee Application” means Local Bankruptcy Form 23.
- (3) “Form Fee Order” means Local Bankruptcy Form 23a or 23b.
- (4) “Model Retention Agreement” means Local Bankruptcy Form 23c.
- (5) “Flat fee” means a fee not supported by an itemization of time and services
- (6) “Creditors Meeting Notice” means the Official Notice of Chapter 13 Bankruptcy Case, Meeting of Creditors, and Deadlines. (Official Form B9L.)
- (7) “Original Confirmation Date” means the date of the confirmation hearing specified in the Creditors Meeting Notice.

B. Requirements

- (1) All requests for awards of compensation to debtor’s counsel in chapter 13 cases must be made using the Form Fee Application, which must be accompanied by a completed Form Fee Order specifying the amounts requested.
- (2) Applications for original fees must be noticed for hearing on the Original Confirmation Date at the time for confirmation hearings.

C. Model Retention Agreement

- (1) If debtor’s counsel and the debtor have entered into the Model Retention Agreement, counsel may apply for a Flat Fee not to exceed the amount authorized by the applicable General Order.
- (2) If debtor’s counsel and the debtor have not entered into the Model

Retention Agreement, the Form Fee Application must be accompanied by a completed Form Itemization.

D. Notice

- (1) All fee applications must be filed with the clerk, served on the debtor, the trustee, and all creditors, and noticed for hearing as an original motion in accordance with Rule 9013-3. However, a fee application need not be served on all creditors if

 - (a) the Creditor Meeting Notice is attached to the application, has been served on all creditors, and discloses the amount of original compensation sought; and
 - (b) the hearing on compensation is noticed for the Original Confirmation Date.
- (2) Rule 9013-1, which governs the dates for the presentment of motions, does not apply to requests under this Rule.

E. Compensation Following Dismissal

- (1) When a chapter 13 case is dismissed, the court will retain jurisdiction to hear requests from debtor's counsel as follows:

 - (a) In cases heard in Chicago and Rockford, jurisdiction will be retained for 30 days following the date of dismissal.
 - (b) In cases not heard in Chicago or Rockford, jurisdiction will be retained for 45 days following the date of dismissal.
- (2) Notice of a request for compensation under this subsection E must be given in accordance with subsection D.
- (3) If a request for compensation has not been both filed and heard before the end of the period during which the court has retained jurisdiction, the trustee may disburse any funds the trustee has on hand in accordance with the policies of the trustee's office.

25. **PROPOSED DELETION OF LOCAL RULE 7007-1.**

The Bankruptcy Judges recommend deleting Local Rule 7007-1 which requires filing of a corporate disclosure statement, because the local rule is obviated by Federal Rule of Bankruptcy Procedure 7007.1, which became effective in 2003.

~~RULE 7007-1 — CORPORATE DISCLOSURE STATEMENT~~

~~A. — When Necessary~~

~~Any non-governmental corporation that is a debtor, or is a party in an adversary proceeding, or otherwise requests relief in a bankruptcy case other than by the filing of a proof of claim, shall file a disclosure statement (“Statement”) identifying all of its publicly held parent corporations and any publicly held company that directly or indirectly owns, controls, or holds, with power to vote, 10 percent or more of the outstanding voting securities of the corporation required to file the Statement. Opposition to an objection to claim is within this Rule. The Statement shall bear the case heading and be titled “Corporate Disclosure Statement of [registered name of corporation as well as any pseudonym or other name under which it does business].”~~²²

~~B. — Filing and Updates~~

~~The Corporate Disclosure Statement shall be filed with the clerk at the same time the corporation files its initial motion, pleading or other document. After a corporation complies with this Rule it shall not be required to file another Statement in any later-filed case or adversary proceeding, in which it appears, except that any corporation that has filed a Statement shall file a “Supplemental Statement” in the later filed case or adversary proceeding noting any change in the information of the last filed Supplemental Statement or original Statement. The clerk will maintain a list of all Corporate Disclosure Statements filed under this Rule on the court’s web site and will regularly update such list.~~

~~C. — Definition~~

~~For the purpose of this Rule, the term “publicly held” corporation or company refers to a corporation the securities of which are listed on a stock exchange or are the subject of quotations collected and reported by the National Association of Securities Dealers Automated Quotations System (NASDAQ).~~

26. PROPOSED ADDITION OF NEW LOCAL RULE 7020-1.

The Bankruptcy Judges recommend adopting new Local Rule 7020-1 to limit multi-defendant adversary proceedings. It is common for a chapter 11 debtor or chapter 7 trustee in a bankruptcy case to file multiple complaints, each of which seeks to recover preferential or fraudulent transfers from a separate defendant. On occasion, however, a debtor or trustee will file a single such adversary complaint aimed at multiple defendants – sometimes as many as several hundred defendants. The result is an adversary proceeding so cumbersome that it cannot be administered. The misjoinder rule (Federal Rule 21, made applicable by Bankruptcy Rule 7021) provides no solution. This Rule is intended to prohibit multi-defendant complaints of this kind and require the filing of separate adversary proceedings except in the circumstances specified.

RULE 7020-1

MULTI-DEFENDANT AVOIDANCE ACTIONS

Claims under 11 U.S.C. §§ 547, 548, or 550 against multiple defendants may not be asserted in a single adversary proceeding, and a separate adversary proceeding asserting such claims must be commenced for each defendant, unless all of the claims in the adversary proceeding arise out of a transaction involving all of the defendants.

27. **PROPOSED ADDITION OF NEW LOCAL RULE 7037-1.**

The Bankruptcy Judges recommend adopting a new Local Rule on discovery motions. It is similar to District Court Rule 37.2.

RULE 7037-1

DISCOVERY MOTIONS

All motions under Rules 26 through 37 of the Federal Rules of Civil Procedure (made applicable by Fed. R. Bankr. P. 7026 through 7037) relating to a discovery dispute, including any motion under Fed. R. Bankr. P. 37(a) to compel discovery, must include a statement that:

- (1) after consultation in person or by telephone, and after good faith attempts to resolve differences, the parties are unable to reach an accord; or
- (2) counsel's attempts to engage in such a consultation were unsuccessful due to no fault of counsel.

Where consultation has occurred, the statement in the motion must recite the date, time, and place of the consultation, and the names of all persons participating. Where counsel was unsuccessful in engaging in the consultation, the statement in the motion must recite in detail the efforts counsel made to engage in the consultation.

28. PROPOSED DELETION OF LOCAL RULE 7055-1.

The Bankruptcy Judges recommend deleting Local Rule 7055-1 as misleading and unnecessary.

~~RULE 7055-1 DISMISSAL FOR FAILURE TO APPEAR IN ADVERSARY PROCEEDINGS~~

~~If a party fails to attend a hearing of an adversary proceeding, the court may dismiss the proceeding for want of prosecution or enter an order of default or default judgment.~~

29. PROPOSED AMENDMENT TO LOCAL RULE 7056-1.

The Bankruptcy Judges recommend amending Local Rule 7056-1 by changing the word “movant’s” to the phrase “opposing party’s.” This change corrects a drafting error.

RULE 7056-1 MOTIONS FOR SUMMARY JUDGMENT; MOVING PARTY

A. Supporting Documents Required

With each motion for summary judgment filed under Fed. R. Bankr. P. 7056, the moving party ~~shall~~ must serve and file a supporting memorandum of law and a statement of material facts as to which the moving party contends there is no genuine issue and that entitles the moving party to judgment as a matter of law, and that also includes:

- (1) a description of the parties;
- (2) all facts supporting venue and jurisdiction in this court; and
- (3) any affidavits and other materials referred to in Fed. R. Civ. P. 56(e).

B. Form - Statement of Facts

The statement of facts ~~shall~~ must consist of short numbered paragraphs, including within each paragraph specific references to the affidavits, parts of the record, and other supporting materials relied upon to support the facts set forth in that paragraph. Failure to submit such a statement constitutes grounds for denial of the motion.

C. Subsequent Filings by Moving Party

If additional material facts are submitted by the opposing party pursuant to Rule 7056-2, the moving party may submit a concise reply in the form prescribed in Rule 7056-2 for response. All material facts set forth in the ~~movant’s~~ opposing party’s statement filed under section A(2)(b) of Rule 7056-2 will be deemed admitted unless controverted by the statement of the moving party.

30. **PROPOSED DELETION OF LOCAL RULE 7067-1.**

The Bankruptcy Judges recommend deleting Local Rule 7067-1 as unnecessary.

RULE 7067-1

**INVESTMENT OF FUNDS DEPOSITED IN THE
REGISTRY ACCOUNT OF THE COURT**

A. — Clerk to Maintain Registry Account

~~Pursuant to Fed. R. Bankr. P. 7067, the clerk shall maintain an interest-bearing registry account. The conditions and terms of the agreement between the clerk and the bank maintaining the registry account shall be approved by and be subject to the supervision of the chief judge.~~

B. — Orders Requiring the Investment of Funds by the Clerk

~~All funds ordered deposited with the clerk pursuant to 28 U.S.C. § 2041 for deposit into the registry fund of the court shall be deposited in the registry account specified in section A above, provided that, for cause shown, the judge may direct the clerk to hold the funds deposited in some other form of interest-bearing investment. Where the judge so orders, the order shall specify (1) the reason or reasons for such alternative form of investment, (2) the amount to be invested, (3) the type of account or instrument in which the funds are to be invested, and (4) the term of the investment.~~

C. — Time period for Depositing Funds

~~The clerk shall take all reasonable steps to assure that the funds are invested promptly. For the purpose of this Rule, “promptly” shall mean not more than 15 days following entry of the order or the deposit of funds with the clerk, whichever is later.~~

31. **PROPOSED AMENDMENT TO LOCAL RULE 9013-3.**

The Bankruptcy Judges recommend amending Local Rule 9013-3 to delete a sentence in Section A, to make certain stylistic changes, to conform the certificate of service language to the Administrative Procedures, and to require that a copy of the motion be included in the notice.

RULE 9013-3

**MOTIONS – NOTICE OF MOTIONS AND
CERTIFICATE OF SERVICE**

A. Notice of Motion

Except ~~in the case of~~for an emergency motion under Rule 5096-1, written notice of the presentment of a motion must be personally served at or before 4:00 p.m. ~~on~~ the second ~~business~~ day preceding the date of presentment. Where service of such notice is by mail, the notice ~~shall~~must be mailed at least ~~five~~ seven ~~business~~ days before the date of presentment. The written notice ~~shall~~must specify the motion to be presented, ~~the date of presentment,~~and time of presentment, and the judge before whom the motion will be presented. The written notice must include a copy of the motion. Any motion not noticed in accordance with this ~~r~~Rule may be stricken by the court without notice. ~~Ex parte motions and motions agreed to in writing by all parties in interest may be presented without notice directly to the judge's courtroom deputy without compliance with Rule 9013-4.~~

B. Personal Service

Personal service ~~shall~~includes actual delivery within the time specified by this section by a service organization providing for delivery within a specified time (e.g. overnight service) or by facsimile transmission ("fax").

C. Exhibits

Where a motion incorporates specified exhibits as part of the motion, legible copies of the specified exhibits ~~shall~~must be appended to and served with the motion and notice, unless excused by court order.

D. Certificate of Service

Each motion, other than one filed *ex parte* or by stipulation, ~~shall~~must be accompanied by a certificate of service indicating the date ~~and~~, manner of service, name and address or e-mail address of each recipient, and a statement that copies of documents required to be served by Fed. ~~F~~ R. Civ. P. 5(a), made applicable by Fed. R. Bankr. P. 7005, have been served. A motion filed *ex parte* ~~shall~~must be accompanied by an affidavit showing cause therefor and stating whether a previous application for similar

relief has been made.

E. Fax Service

- (1) Where service is by fax, the certificate ~~shall~~ must be accompanied by a copy of the transaction statement produced by the fax machine. Such transaction statement ~~shall~~ must include the date and time of service, the telephone number to which the documents were transmitted, and an acknowledgment from the receiving fax machine that the transmission was received or, in the event that the receiving fax machine did not produce the acknowledgment to the transmitting fax machine, an affidavit or, if by an attorney, a certificate setting forth the date and time of service and telephone number to which documents were transmitted.
- (2) Facsimile transmission of documents to the court is not permitted under this Rule.

32. **PROPOSED AMENDMENT TO LOCAL RULE 9013-4.**

The Bankruptcy Judges recommend amending Local Rule 9013-4 in light of electronic filing.

RULE 9013-4

**MOTIONS - DATE ~~OF FILING ORIGINALS AND~~
~~COPIES WITH THE CLERK~~ AND TIME OF FILING**

A. Motions Filed Electronically

The date and time of filing of a motion filed electronically are those shown on the Notice of Electronic Filing issued by CM/ECF as described in the Administrative Procedures (II-A-2).

B. Paper Motions

The date of filing of a paper motion ~~will be~~ is the date on which the ~~copy of the~~ motion ~~was~~ is received by the clerk ~~as provided in Rules 5005-1 and 5005-2. The original and one copy of each motion, together with the notice of motion and certificate of service must be received in the clerk's office by 4:30 p.m. or deposited in the clerk's drop box by 6:00 p.m. on the second business day preceding the date of presentment. The court may strike without notice motions not filed in accordance with this Rule.~~

33. **PROPOSED AMENDMENT TO LOCAL RULE 9013-6.**

The Bankruptcy Judges recommend amending Local Rule 9013-6 in light of electronic filing.

**RULE 9013-6 MOTIONS - ~~MINUTE ORDER FORMS AND ORDERS TO~~
~~BE PRESENTED WITH MOTIONS~~ TITLES**

~~The provisions of this Rule are subject to the Administrative Procedures for Electronic Filing adopted pursuant to Rule 5005-1(c).~~

A. Requirement

Each motion ~~shall~~ must be accompanied by a ~~minute order form and proposed draft order.~~ order, in the form required by the Administrative Procedures.

~~B. Minute Order Forms~~

~~On request, the clerk shall provide blank minute order forms for use in complying with this Rule. Only minute order forms provided by the clerk or reproductions of such forms will be accepted as complying with this Rule.~~

B. Titles of Motions

Each motion must be titled as one of the events contained in CM/ECF, unless no event accurately describes the subject of the motion.

~~C. Draft Orders~~

~~Draft orders shall have descriptive titles referring to the relief granted (e.g., “Order Allowing Creditor’s Motion to Modify Stay” or “Order Setting Trial Date.” In lieu of a separate draft order, the court may accept a minute order.~~

C. Titles of Proposed Orders

Proposed orders must have descriptive titles referring to the relief granted (e.g., “Order Allowing Creditor’s Motion to Modify Stay” or “Order Setting Trial Date”).

34. **PROPOSED AMENDMENT TO LOCAL RULE 9013-7.**

The Bankruptcy Judges recommend amending Local Rule 9013-7 in light of electronic order filing.

RULE 9013-7

**MOTIONS – SERVICE OF COPIES
OF ORDERS**

~~—————The provisions of this Rule are subject to the Administrative Procedures for Electronic Filings adopted pursuant to Rule 5005-1 (c). Unless excused by the court~~
CM/ECF automatically notifies counsel registered under CM/ECF of orders entered. If a party whose rights are affected by an order is not represented by counsel or if counsel for the affected party is not registered with CM/ECF, counsel who drafted ~~an~~ the order entered (or the clerk if no counsel drafted the order) ~~shall~~ must serve forthwith a conformed copy of ~~that~~ the order on all ~~parties of record and all other parties whose rights or interests are directly or adversely affected (“Interested Parties”). If the draft order appended to the motion is entered without modification, and has been previously served on the Interested Parties,~~ the order need not be reserved such affected parties, unless the court orders otherwise.

35. PROPOSED AMENDMENT TO LOCAL RULE 9013-9(A).

The Bankruptcy Judges recommend amending Local Rule 9013-9(A), the list of “routine” motions, to:

- a. Delete motions for admission of counsel pro hac vice, as such motions will no longer be required under proposed amendment number 11, above.*
- b. Delete motions to lift the automatic stay in chapter 7 cases in which the trustee has filed a no-asset report;*
- c. Add requests for payment of administrative expenses other than fees and expenses of attorneys and other professionals.*

RULE 9013-9

ROUTINE AND UNCONTESTED MOTIONS

A. Routine Motion or Application Defined

A party presenting any of the following, upon required notice, may designate it as a “routine motion” or “routine application”, as the case may be:

- ~~(1) application for admission of counsel pro hac vice under Rule 2090-3;~~
- (1) request for payment of administrative expenses other than fees and reimbursement of expenses pursuant to section 330 or 331 of the Bankruptcy Code;
- (2) motion to be added to the notice list under Rule 2002-2;
- (3) motion to pay bond premium;
- (4) motion to destroy books and records of a debtor;
- (5) motion to extend time for filing complaints to determine dischargeability and objections to discharge;
- (6) motion to extend by no more than ~~30~~ 28 days the unexpired time to file an appearance, pleading, or response to a discovery request, provided that the motion states the next set court date and states that no court date will be affected by the extension;
- (7) motion for leave to appear as an attorney or an additional attorney, or to substitute one attorney for another with the written consent of the client, except as to attorneys for a debtor in possession, trustee, or an official committee;
- (8) motion to dismiss or withdraw all or any part of an adversary proceeding by agreement, which motion shall set forth any consideration promised or received for the dismissal or withdrawal and shall specify whether the dismissal or withdrawal is with or without prejudice, provided, however, that this subsection shall not apply to adversary proceedings under 11 U.S.C. § 727 (see Rule 7041-1) nor to any motion by a trustee that, if granted, would effectively abandon a cause of action;
- (9) motion to avoid a lien pursuant to § 522(f) of the Bankruptcy Code;
- (10) motion for leave to conduct examinations pursuant to Fed. R. Bankr. P. 2004, subject to Rule 7026-1;

- (11) in cases under chapter 13 of the Bankruptcy Code, on notice to the standing trustee and all creditors:
 - (a) motion to increase the payments by the debtor into the plan; and
 - (b) motion to extend the duration of the plan, without reduction of periodic payments, where the proposed extension does not result in a duration of the plan beyond 60 months after the date of confirmation of the plan;
- (12) motion by the trustee or debtor in possession, with notice to all creditors, to abandon property of the estate pursuant to § 554 of the Bankruptcy Code and Fed. R. Bankr. P. 6007(a); and
- (13) motions by the debtor:
 - (a) to convert or dismiss under §§ 1208(b) or 1307(b) of the Bankruptcy Code; and
 - (b) to convert under §§ 706(a) and 1112(a) of the Bankruptcy Code.
- ~~(14) motions to lift the automatic stay in chapter 7 cases in which the movant represents that a no-asset report has been filed by the trustee in the case.~~

36. **PROPOSED AMENDMENT TO LOCAL RULE 9029-3.**

The Bankruptcy Judges recommend amending Local Rule 9029-3 by deleting the first sentence as unnecessary, given the inclusion of general orders in proposed Local Rule 1000-2(D).

RULE 9029-3

**~~GENERAL ORDERS~~/INTERNAL OPERATING
PROCEDURES**

~~Pursuant to 28 U.S.C. § 154(a) the judges shall by majority vote adopt general orders of the court to determine the division of work among the judges.~~ The judges may ~~also~~ by majority vote adopt general orders of the court with respect to internal court and clerical administrative matters (“Internal Operating Procedures”), provided that no such general order of the court ~~shall~~ may conflict with applicable law, the Fed. R. Bankr. P., these Rules, or applicable local rules of the District Court. All such general orders and Internal Operating Procedures ~~shall~~ must be assigned numbers and be made public by the clerk.